

100th anniversary of the Fraternal Order of Eagles in Scranton as well as their dedication to serving the community, and I wish them all the best.

POSTAL CIVIL SERVICE RETIREMENT SYSTEM FUNDING REFORM ACT OF 2003

**HON. HENRY A. WAXMAN**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, February 12, 2003*

Mr. WAXMAN. Mr. Speaker, as the Ranking member of the House Committee on Government Reform, I join Chairman TOM DAVIS, Representative JOHN MCHUGH and Subcommittee Ranking member, Representative DANNY K. DAVIS, in introducing the "Postal Civil Service Retirement System Funding Reform Act of 2003."

The legislation we introduced today corrects the calculation of the Postal Service's contributions to its pension fund and provides immediate and needed financial relief to the Postal Service. It allows the Postal Service to reduce its debt and hold off on rate increases until at least 2006. It does this by crediting the Postal Service for the real value of contributions it made in the past and changing how contributions will be computed in the future.

This legislation is being introduced quickly because, without it, the Postal Service faces an increasing financial crisis. The Postal Service has suggested that, in the absence of such a change, a rate increase will be necessary within a year. While there is a need for action to be taken quickly, the issue requires more measured consideration than we are able to give it in this short time. That is why the bill includes a mechanism for Congress to revisit this issue. The bill requires the Postal Service to report on the ways in which the savings can best be used so that Congress can make an informed decision on such use. Given the many serious concerns about the Postal Service's future obligations, our legislation is only the first step in addressing much larger problems.

The legislation that we introduced today, however, is not perfect and we are still working on areas of disagreement. For instance, the bill requires the Postal Service to pay the pension costs associated with military service both before and after the change from the old Post Office Department to the new Postal Service. I do not believe this is a good idea; I am not convinced that the Postal Service, which is supposed to run like a private business, should be paying the costs of military service for employees in the Civil Service Retirement System. I am confident we will continue to be able to work together to resolve this important issue.

In closing, I want to commend Chairman DAVIS, Rep. MCHUGH, and Rep. DANNY DAVIS for their efforts in addressing this problem and for working in a bipartisan manner. The Postal Service faces many challenges and I look forward to working together on strengthening our nation's Postal Service.

FUEL CELL RESEARCH

**HON. EDDIE BERNICE JOHNSON**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, February 12, 2003*

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise today to speak about promising technology that could help protect our environment and safeguard our national security. Given time and support, research into hydrogen-powered fuel cells could yield a reliable, clean source of power and curtail our dependence on foreign oil.

By chemically combining oxygen and hydrogen, fuel cells generate electricity up to three times more efficiently than any internal combustion engine. Hydrogen has the highest energy content of any known fuel, and hydrogen-powered fuel cells run almost silently while emitting no pollutants. An automobile powered by fuel cells would produce only water as waste. Furthermore, hydrogen could be used for far more than transportation. Hydrogen fuel cells could be used to power homes and offices, and even to replace batteries for computers, cell phones, and other appliances.

Fuel cells could not only serve as a clean and efficient energy source, but also as a way to limit our reliance on foreign oil. If we don't concentrate on viable alternatives to now, the United States is expected to import 68 percent of the oil it consumes by 2025. Should hydrogen-powered fuel cells fulfill their promise, we could drastically reduce that figure and ensure our independence in a way that keeps our environment protected.

Despite the great potential of this technology, there are significant obstacles to overcome. Usable hydrogen remains expensive to produce and difficult to store effectively. At present fuel cells can cost up to ten times more than conventional engines. There is important work to do in this field, and I am proud to say that there are over a dozen organizations in my home state of Texas hard at work on solutions. Often Texas is thought of as oil country, but our state has the opportunity to play a vital role in the development of viable alternatives.

As a ranking member of the Science Committee, I am very interested in any technology that could help keep our environment cleaner and our people more secure. I appreciate the opportunity to participate and look forward to ongoing involvement in this promising avenue of research.

INTRODUCTION OF THE SOCIAL SECURITY PROTECTION ACT OF 2003

**HON. E. CLAY SHAW, JR.**

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, February 12, 2003*

Mr. SHAW. Mr. Speaker, today I am introducing the Social Security Protection Act of 2003 to provide the Social Security Administration with the additional tools they need to fight activities that drain resources from Social Security and undermine the financial security of beneficiaries.

Many Social Security and Supplemental Security Income beneficiaries have individuals or

organizations called "representative payees" appointed by the Social Security Administration to help manage their financial affairs when they are not capable. At present nearly 8 million beneficiaries entrust their financial arrangements to 'rep payees'. Representative payees safeguard income and make sure expenditures are made for the beneficiary's good. While most are conscientious and honest, some are not.

Despite current precautions, abuse continues. For example, the Social Security Administration Office of Inspector General investigated one case in which an organization serving as representative payee to several hundred beneficiaries inappropriately charged those beneficiaries over \$100,000 in fees, which were paid for almost entirely using their benefits. In addition, this representative payee continued to receive and accept beneficiaries' checks without notifying the SSA when beneficiaries left the organization's care or were missing.

The Inspector General reported that between January 1997 and December 1999, Social Security identified over 2,400 representative payees who misused approximately \$12 million in benefits entrusted to their management. This bill raises the standards for persons and organizations serving as representative payees and imposes stricter regulation and monetary penalties on those who mismanage benefits entrusted to their care.

This bill also picks up where previous legislation ended in stopping benefit payments to those who have committed crimes. In 1996, Congress passed provisions denying Supplemental Security Income benefits to persons fleeing to avoid prosecution or confinement. However, these fugitive felons can still receive Social Security benefits, and the Congressional Budget Office estimates we will pay over \$500 million to them over the next 10 years directly out of the Social Security trust funds. This is not right, and this legislation denies the money to those fleeing justice.

My legislation also provides tools to further safeguard Social Security programs, help shield Social Security employees from harm while conducting their duties, expand the Inspector General's ability to stop perpetrators of fraud through new civil monetary penalties, and prevent persons from misrepresenting themselves as they provide Social Security-related services.

My legislation not only prevents fraud and protects the Social Security programs, it also helps those who are legitimately seeking to receive benefits by improving the attorney fee withholding process. This bill caps the current attorney fee assessment and extends fee withholding to Supplemental Security Income claims, enabling more individuals with disabilities to receive needed help navigating a complex application process for benefits.

And finally, this legislation continues the great work of the Ticket to Work and Work Incentives Improvement Act, helping individuals with disabilities to return to work and independence when they are able.

Protecting Social Security programs is a key responsibility of the agency and of Congress. Taxpayers must be confident that their hard-earned payroll dollars are being spent accurately and wisely, and in the best interest of beneficiaries. That is why the 107th Congress's version of this bill, the Social Security Program Protection Act of 2002 (H.R.

4070), passed the House with overwhelming bipartisan support, 425–0. This bill is the culmination of bipartisan effort, as well as the cooperation and support of the Social Security Administration and the Office of Inspector General. The legislation also benefited from prior feedback by advocacy groups and law enforcement agencies. Last, but certainly not least, this bill results in a small amount of savings for both the Social Security trust funds and general revenues.

I urge all Members to cosponsor this important legislation and look forward to bringing this bill to the floor as quickly as possible.

#### INTRODUCTION OF LEGISLATION PROVIDING IMPROVEMENTS TO SOCIAL SECURITY PROGRAM

**HON. ROBERT T. MATSUI**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, February 12, 2003*

Mr. MATSUI. Mr. Speaker, I pleased today to join with Congressman Clay Shaw, the Chairman of the Subcommittee on Social Security, to introduce legislation to make important improvements in the Social Security program. These improvements would better protect vulnerable beneficiaries who cannot manage their own benefits; expand access to professional representation for disability claimants; and reduce the vulnerability of the program to fraud and abuse. The bill is very similar to H.R. 4070, which was adopted unanimously in the House last year. Unfortunately, even though the bill later passed the Senate with some minor changes, the House did not take it up again before the 107th Congress adjourned.

This bill was developed as a result of hearings our Subcommittee has held over the past several years, recommendations from the Social Security Administration and its Inspector General, and the concerns of beneficiaries and their representatives. It makes the following changes:

**Representative Payees:** Some Social Security and Supplemental Security Income (SSI) beneficiaries are unable to handle their own benefits, because they are too young, too frail, or otherwise unable to manage their own funds. In such cases, SSA appoints a "representative payee" to manage their benefits. The payee can be a family member or other individual, or an organization. The bill makes improvements in the representative payee system to prevent misuse of beneficiary funds by payees, to increase oversight of payees, and to expand the ability of SSA to repay benefits which are misused by a payee.

**Attorney Fees:** The bill extends SSA's fee-withholding system to attorneys who represent SSI claimants, so that they could be paid directly by SSA out of the past-due SSI benefits. In this way, more individuals would be able to gain access to professional representation in pursuing their claim. It also caps the user fee that SSA charges for processing attorney payments at \$75.

**Program Protections:** The bill increases penalties for misrepresenting facts relating to benefit eligibility; denies Social Security benefits to fugitive felons and those in violation of parole or probation; requires companies that offer for a fee services that SSA provides for free to

say so in their solicitations; and makes other changes requested by the Office of Inspector General to prevent fraud and abuse.

The bill also makes other miscellaneous, technical and conforming changes to the Social Security Act.

I want to especially highlight the importance of the attorney-fee changes. Professional representation is a valuable—and indeed vital—service. The disability determination process is complex. Claimants without professional legal representation appear to be far less likely to receive the benefits to which they are entitled. For example, among claimants represented by an attorney, 63.6 percent were awarded benefits at the hearing level in 2000. In contrast, only 40.1 percent of those without an attorney were awarded benefits.

Under current law, when an attorney successfully represents a Social Security disability claimant and that claimant is entitled to past-due benefits, SSA retains a portion of those past-due benefits in order to pay the attorney for the services he or she provided. This system of direct-payment, which is only available to attorneys representing applicants for Social Security disability insurance benefits, helps to promote access to representation by assuring that attorneys receive payment for their services while protecting beneficiaries by capping allowed fees.

The bill makes two important changes to the attorney fee system. First, it extends the direct-payment system to attorneys representing claimants for SSI. Without direct fee payment, SSI claimants are often unable to obtain needed legal representation, as there is no way for attorneys to be assured of payment for their services. Such claimants are often particularly in need of professional assistance, as they have no other sources of income to fall back on should their claim for disability be wrongly denied.

Second, the bill caps the processing fee deducted from the attorney's payment at \$75. Since the adoption of the processing fee in the Ticket to Work and Work Incentives Improvement Act of 1999 (P.L. 106–170), our Subcommittee has conducted two hearings on the long delays involved in paying attorney fees. We have had some success in speeding up payment, but there remains much room for improvement. It is only fair to cap the processing fee if SSA cannot assure timely payment of fees. Hopefully, this cap, in combination with the other provisions of the bill, will also mitigate the loss of experienced representatives from the disability bar, who have been forced to close their practices as a result of delays in fee payments and the imposition of the processing fee.

In closing, I look forward to working with Chairman Shaw on this piece of legislation in the same bipartisan manner that characterized our successful efforts on the Work Incentives Improvement Act, the repeal of the retirement earnings test, and our ongoing efforts to protect the security and privacy of Social Security numbers. With this sort of collaboration, I am certain that we can pass this bill as well.

HONORING PHYLLIS SHAPIRO SEWELL AS A GREAT LIVING CINCINNATIAN

**HON. ROB PORTMAN**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, February 12, 2003*

Mr. PORTMAN. Mr. Speaker, I rise today to honor Phyllis Shapiro Sewell, who will be formally honored on February 26, 2003 by the Greater Cincinnati Chamber of Commerce as a Great Living Cincinnati. The recipients of this prestigious award are selected on the basis of special professional achievement; an awareness of the needs of others; leadership; and distinctive accomplishments.

Bright and well educated, Phyllis graduated from Wellesley College with honors in economics in 1952. She often says she found her first job by perusing the newspaper classified advertisements under "Help Wanted—Female." She could not have imagined then her impact as a pioneer in women's rights in the workplace. As a junior analyst with Federated Department Stores, Phyllis' hard work and dedication set her apart as she began her ascent up the corporate ladder. By the time she was 28, she had been promoted to research director. She spent her entire career at Federated, an \$11 billion corporation operating department stores, discount stores and supermarkets. Phyllis' responsibilities centered on corporate and divisional strategic plans; studies of consumer attitudes and buying habits; and development of effective and information systems.

After retiring from Federated as a senior vice president, Phyllis had a second career serving on several major corporate boards, including Pitney Bowes Inc.; U.S. Shoe Corporation; Lee Enterprises, Inc.; Sysco Corporation; and Huffy Corporation.

Phyllis was named to Business Week's list of top 100 corporate women and to Industry Week's list of top 85 executives. She received Wellesley College's Alumnae Achievement Award in 1979 and was inducted into the Ohio Women's Hall of Fame in 1982.

Devoted to her family, Phyllis is married to Martin Sewell, and they have a son, Charles. Phyllis has also given her talents to the boards of the Cincinnati Jewish Federation; Jewish Foundation of Cincinnati; and United Way.

All of us in Cincinnati thank Phyllis for her service to our community, and congratulate her for being named a Great Living Cincinnati.

#### TRIBUTE TO VAL ALVARADO

**HON. SCOTT MCINNIS**

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, February 12, 2003*

Mr. MCINNIS. Mr. Speaker, it is with great pride that I rise today to pay tribute to Valentino Alvarado of Montrose, Colorado. Val served in the United States Navy for over 23 years and is a veteran of three American wars. Val had been in the Navy less than a year when his ship, the USS Maryland, was hit during the Japanese attack on Pearl Harbor on December 7, 1941. Today, I would like